



COUNTY OF LOS ANGELES  
DEPARTMENT OF PARKS AND RECREATION

*"Parks Make Life Better!"*

Russ Guiney, Director

John Wicker, Chief Deputy Director

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Executive Offices • 433 South Vermont Avenue • Los Angeles, CA 90020-1975 • (213) 738-2961

July 30, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF PARK MAINTENANCE SERVICES CONTRACT  
WITH AZTECA LANDSCAPE  
FOR ARCADIA AREA PARKS  
(SUPERVISORIAL DISTRICT 5) (3 VOTES)**

**SUBJECT**

This action is to award the park maintenance services contract to Azteca Landscape for the Arcadia Area Parks.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find the proposed approval of the park maintenance services contract categorically exempt from the California Environmental Quality Act because it involves maintenance of existing facilities for the reasons stated herein and the reasons reflected in the record of the Project.
2. Find that the recommended contract for park maintenance services can be more economically performed by an independent contractor than by Los Angeles County employees for the Arcadia Area Parks.
3. Approve and instruct the Chairman to sign a five-year contract with Azteca Landscape for park maintenance services, for Arcadia Community Regional Park and Michillinda Park collectively known as the Arcadia Area Parks, for an annual base contract cost of \$187,427, for five years with three one-year renewal options, for a maximum potential term of eight years, and an anticipated total of \$1,499,416. This amount does not include the Cost of Living Adjustments, if any, to be exercised by the Director of the Department of Parks and Recreation, effective the first day of the month, following Board approval.

4. Authorize the Director of the Department of Parks and Recreation to exercise the three Contract renewal options annually, if in the opinion of the Director, the Contractor has successfully performed in the previous Contract period and the services are still required and are cost effective. Such renewal may include a Cost of Living Adjustment, per option year, subject to approval by the Chief Executive Office.

5. Authorize the Director of Parks and Recreation to increase the Arcadia Area Parks contract cost by 10 percent, as needed, during each Contract year, totaling up to \$18,743 annually, as a contingency amount, for unforeseen services/emergencies and/or additional work within the scope of the contract, which could increase the total annual Contract amount to a maximum of \$206,170 per year.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommended Contract is for park maintenance services for the Arcadia Area Parks. The private sector has been providing park maintenance services for the Arcadia Area Parks since 1981. This is part of the continuing effort on behalf of the Department of Parks and Recreation (Department) to provide the best possible service to the public in a cost-effective manner.

### **Implementation of Strategic Plan Goals**

The recommended Contract will further the County's Strategic Plan Goals of Operational Effectiveness (Goal 1), by maximizing the effectiveness of park maintenance services, structure and operations to support timely delivery of customer-oriented and efficient public services, and; Fiscal Sustainability (Goal 2), by strengthening and enhancing the County's capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship.

### **FISCAL IMPACT/FINANCING**

In accordance with County policy, the Contract contains a Cost of Living Adjustment (COLA) provision based on an annual rate, as determined by the Chief Executive Office (CEO), whereby the Director of Parks and Recreation (Director), at his sole discretion, may increase the Contractor's compensation during the option years. The COLA rate is capped at the lesser of: the most recently published percentage change in the Bureau of Labor Statistics, Los Angeles-Riverside-Orange County, Consumer Price Index for Urban Consumers for the 12-month period preceding the contract anniversary date; or the general salary movement percentage for County employees for the 12-month period preceding the prior July 1st.

The decision to include the COLA is based on the Department's experience that the Contractor may incur an increase in costs, such as insurance premiums, fuel, etc., during the option years, which could impact their performance. As a result, this provision allows the Director to review cost information during the option years to determine if the COLA is justified subject to approval by the CEO. The Department will comply with the newly adopted Board policy to exclude the cost of labor from the base upon which a COLA is calculated, unless the Contractor can show that their labor cost will actually increase.

The Proposition A cost analysis indicates that the recommended Contract for park maintenance services can be performed more economically by the private sector. The total annual cost to provide park maintenance services is \$187,427. This represents an estimated savings of \$314,717.78 from

the estimated annual County cost of \$502,144.78 to perform similar services for one year (Attachments I, II and III).

The Department will not request that the Contractor perform services that will exceed the approved maximum contract amount, which may include the 10 percent contingency fee or COLA increase without the prior approval of the Board.

The following are the recommended potential maximum Contract cost for:

- Initial Term of five years: \$1,030,850.
- Initial Term of five years plus the three option years: \$1,649,360.
- Initial Term of five years plus the three option years plus the annual 10 percent contingency: \$1,683,776.66.

## OPERATING BUDGET IMPACT

Based on the recommended action, the Department anticipates a savings in its operating cost for park maintenance contracts. The proposed contract has an annual expenditure of \$187,427 which is \$34,488.57 less than the current contract's annual expenditure of \$221,915.57. Funding for Landscape Maintenance is included in the Department's Fiscal Year 2013-14 Budget based on projected changes, any material variances from the projection will be addressed in Fiscal Year 2014-15.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Proposition A cost analysis indicates that the recommended contracted park maintenance services can be performed more economically by the private sector (Attachments I, II and III).

The Contractor has agreed to comply with the County's Living Wage Program and Proposition A requirements. The Contract complies with all of the requirements of the Los Angeles County Code, Section 2.201 and Chapter 2.121.

In compliance with the provisions of Los Angeles County Code Sections 2.121.250 through 2.121.420, the Department solicited proposals from private contractors for park maintenance services for the Arcadia Area Parks.

The mandatory requirements for contracting, as identified in Section 2.121.380 of the Los Angeles County Code, have been met.

Proposition A contracts valued under \$1 million are no longer reviewed by the County's Auditor-Controller for cost-effectiveness, as stated in their memo of October 2, 2003. Therefore, the Proposition A cost analysis was performed internally using the guidelines and methodologies consistent with the Auditor-Controller procedures.

The award of this Contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. This Contract contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs, Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County

Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for the Contract termination or renegotiation.

The California State Department of Industrial Relations, Division of Labor Standards Enforcement, has returned its report indicating no negative information on the Contractor.

The County maintains databases that track/monitor the Contractor's performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise the Contract term extension option. No negative information was found for this Contractor.

The Contractor has executed the attached Contract and will provide the required insurance policies prior to the start of this contract naming the County and the Department Districts as additionally insured.

County Counsel has approved the contract as to form.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed approval of the Contract is categorically exempt from the California Environmental Quality Act (CEQA) according to Section 15301(h) of the State CEQA Guidelines and Class 1(j) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, because the proposed Contract consists of maintenance of existing facilities involving negligible or no expansion of use.

### **CONTRACTING PROCESS**

On November 20, 2012, the Department commenced solicitation for park maintenance services by posting a notice for Request For Proposals (RFP) on the County's "Doing Business with Us" Web site and included a link to download the solicitation package and bilingual instructions on how to contact the Department regarding this RFP. Attachment IV is a listing of contractors who are registered for park maintenance services on the Internal Services Department's Web site and received notification of this project.

On December 13, 2012, eight companies attended the Mandatory Proposer Conference and Site Visits. On January 7, 2012, the Department received five proposals. All proposals were reviewed to ensure compliance with mandatory minimum requirements outlined in the RFP. One proposal was disqualified because it did not meet minimum requirements. Proposer did not request a disqualification review.

The evaluation committee consisted of three Department employees. The committee reviewed each proposal for business experience, qualifications, staffing plan requirements, compliance with the Living Wage Program requirements, quality control plan and the ability to accomplish the required park maintenance services. All proposals were evaluated using an informed averaging methodology. One proposer requested and received a debriefing of their scores. There were no

protests resulting from this solicitation.

Based on the evaluation criteria and the evaluations, it is recommended that the contract for these services be awarded to the highest-rated proposal, Azteca Landscape.

Attachment V reflects the Contractor's minority participation. It should be noted that upon final analysis and award, the Contractor was selected without regard to gender, race, creed, or color.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The award of this Contract will not infringe on the role of the County in its relationship to its residents, and the County's ability to respond to emergencies will not be impaired. In addition, the County has determined that it has alternative resources available in the event of a default. This Contract will not result in the displacement of any County personnel, as these services are currently being performed by the private sector. Therefore, there will be no impact to existing staff or service levels.

### **CONCLUSION**

It is requested that an adopted copy of the action taken by your Board and three fully executed copies of the attached contract be forwarded to the Department of Parks and Recreation.

Should you have any questions, please contact Liza Salvatti at (626) 821-4655 or [lsalvatti@parks.lacounty.gov](mailto:lsalvatti@parks.lacounty.gov), Kandy Hays at (626) 821-4600 or [khays@parks.lacounty.gov](mailto:khays@parks.lacounty.gov), Elsi Mares at (213) 738-2986 or [emares@parks.lacounty.gov](mailto:emares@parks.lacounty.gov), or Kaye Michelson at (213) 738-2955 or [kmichelson@parks.lacounty.gov](mailto:kmichelson@parks.lacounty.gov).

Respectfully submitted,



RUSS GUINEY

Director

RG:JW:RM

KEH:SS:ls

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Clerk of the Board